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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/699,552	10/30/2003	Laura Lee Orcutt	15896.0008US01	3032
75943	7590	07/21/2008	EXAMINER	
MERCHANT & GOULD - WELLS FARGO P.O. BOX 2903 MINNEAPOLIS, MN 55402				ELISCA, PIERRE E
ART UNIT		PAPER NUMBER		
3621				
			MAIL DATE	DELIVERY MODE
			07/21/2008	PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No.	Applicant(s)	
	10/699,552	ORCUTT, LAURA LEE	
	Examiner	Art Unit	
	Pierre E. Elisca	3621	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1) Responsive to communication(s) filed on 05 May 2008.

2a) This action is **FINAL**. 2b) This action is non-final.

3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4) Claim(s) 57-80 is/are pending in the application.

4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5) Claim(s) 80 is/are allowed.

6) Claim(s) 57-79 is/are rejected.

7) Claim(s) _____ is/are objected to.

8) Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9) The specification is objected to by the Examiner.

10) The drawing(s) filed on _____ is/are: a) accepted or b) objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a) All b) Some * c) None of:

1. Certified copies of the priority documents have been received.
2. Certified copies of the priority documents have been received in Application No. _____.
3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) Notice of References Cited (PTO-892)

2) Notice of Draftsperson's Patent Drawing Review (PTO-948)

3) Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date 5/16/2008.

4) Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____.

5) Notice of Informal Patent Application

6) Other: _____.

1. This office action is in response to Applicant's RCE filed on 05/05/2008.
2. Claims 57-80 are currently pending in this application.

Claim Rejections - 35 USC § 103

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

4. Claims 57-79 are rejected under 35 U.S.C. 103 (a) as being unpatentable over Funk (U.S. Pat. No. 5,832,463) and Downs, Jr. (U.S. Pat. No. 6,654,487) in view of Guzman US 2003/0182227 A1.

As per claims 57-75 Funk substantially discloses a checkless transaction system that converts the check transaction into an electronic ACH, comprising:

Scanning a check drawn against an account associated with a consumer to capture information needed to create an ACH debit, automatically determining, based at least in part on the captured information, and the consumer has been notified that the check will be converted into an ACH debit, depositing the check at a financial institution a determination is made, creating an electronic file that contains the information needed to create an AHC debit when a determination is made (see., abstract, col 3, lines 28-67, col 4, lines 1-52),

The limitation wherein said if said check is eligible to be converted to an ACH debit. However, the Examiner respectfully disagrees with this assertion because it is obvious to realize that if a check is not in good standard, i.e folded or stain or if the MICR has a missing number, and therefore would not be eligible for scanning. Moreover, if it is scanned an individual would not be able to interpret or understand what it is. Thus, would be a waste of memory.

It is to be noted that Funk fails to explicitly disclose the check is not eligible to be converted into an AHC. However, Down discloses a check processing system which includes a predetermined set of MICR line validation rules (see., abstract, lines 6-15, col 117, lines 44-67, col 118, lines 1-28). Therefore, it would have been obvious to a person of ordinary skill in the art at the time the invention was made to modify the checkless transaction of Funk by including the limitation detailed above as taught by Downs because this would recognize invalid MICR line based on various rules.

Funk and Down fail to explicitly disclose the limitation of wherein said "an eligible check is defined as a consumer check". Guzman discloses a method of depositing and monitoring account credits received by bank check in conjunction with a sales transaction where the account credits are made by a third party to the sales transaction comprising: entering a transit number, account number, check number and a check amount associated with the merchant location (see., Guzman, [0003], [0004], [claim 21]. Accordingly, it would have been obvious to a person of ordinary skill in the art at the time the invention was made to modify the checkless transaction of Funk and Down by

including the limitation detailed above as taught by Guzman because this would allow the merchant to receive the check without meeting the consumer.

As per claims 76-79 Funk substantially discloses the claimed method of converting a check transaction into an electronic ACH, comprising:

Receiving at an originating depository financial institution (ODFI), an administrative return associated with a check, in response to receiving the administrative return, automatically, when the check is a consumer check drawn against an account associated with a consumer , using the ACH debit to re-present the check (see., abstract, col 3, lines 28-67, col 4, lines 1-52),

The limitation wherein said if said check is eligible to be converted to an ACH debit.

However, the Examiner respectfully disagrees with this assertion because it is obvious to realize that if a check is not in good standard, i.e folded or stain or if the MICR has a missing number, and therefore would not be eligible for scanning. Moreover, if it is scanned an individual would not be able to interpret or understand what it is. Thus, would be a waste of memory.

It is to be noted that Funk fails to explicitly disclose the check is not eligible to be converted into an AHC. However, Down discloses a check processing system which includes a predetermined set of MICR line validation rules (see., abstract, lines 6-15, col 117, lines 44-67, col 118, lines 1-28). Therefore, it would have been obvious to a person of ordinary skill in the art at the time the invention was made to modify the checkless

transaction of Funk by including the limitation detailed above as taught by Downs because this would recognize invalid MICR line based on various rules. Funk and Down fail to explicitly disclose the limitation of wherein said “an eligible check is defined as a consumer check”. Guzman discloses a method of depositing and monitoring account credits received by bank check in conjunction with a sales transaction where the account credits are made by a third party to the sales transaction comprising: entering a transit number, account number, check number and a check amount associated with the merchant location (see., Guzman, [0003], [0004], [claim 21]. Accordingly, it would have been obvious to a person of ordinary skill in the art at the time the invention was made to modify the checkless transaction of Funk and Down by including the limitation detailed above as taught by Guzman because this would allow the merchant to receive the check without meeting the consumer.

Allowable Subject Matter

5. Claim 80 is allowed over the prior art.

RESPONSE TO ARGUMENTS

6. Applicant's arguments with respect to claims 57-79 have been fully considered but they are not persuasive.

REMARKS

7. In response to Applicant's representative arguments, Applicant's representative argues that:

a. Applicant continues to argue that there are types of checks that include MICR lines that are not eligible to be converted to an ACH debit. For instance, a traveler's check may include a valid MICR line, but not be eligible to be converted to an ACH debit. However, the Examiner respectfully disagrees with this assertion since there is no mention of a traveler's check in the claims in order to establish a difference between a traveler's check and a regular check. Please note that a check is a check. Accordingly, Down discloses a check processing system which includes a predetermined set of MICR line validation rules (see., abstract, lines 6-15, col 117, lines 44-67, col 118, lines 1-28). Therefore, the check processing system of Downs with a valid MICR line is eligible to be converted to an ACH.

b. Applicant's representative maintains that the cited reference Guzman fails to implicitly or explicitly disclose the limitation that an "eligible check is a consumer. However, the Examiner respectfully disagrees with this assertion because the claims recite the limitation of wherein said "an eligible check is defined as a consumer check. Guzman discloses a method of depositing and monitoring account credits received by bank check in conjunction with a sales transaction where the account credits are made by a third party to the sales transaction comprising: entering a transit number, account number, check number and a check amount associated with the merchant location (see., Guzman, [0003], [0004], [claim 21]. Accordingly, it would have been obvious to a person of ordinary skill in the art at the time the invention was made to modify the

checkless transaction of Funk and Down by including the limitation detailed above as taught by Guzman because this would allow the merchant to receive the check without meeting the consumer. Therefore, Applicant's argument is moot.

Conclusion

8. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Pierre E. Elisca whose telephone number is 571 272 6706. The examiner can normally be reached on 6:30 to 5:00. Hoteler.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Andrew Fischer can be reached on 571 272 6779. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/ Pierre E. Elisca/
Primary Examiner, Art Unit 3621

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